WEINTRAUB ZOLKIN TALERICO & SELTH LLP 11766 WILSHIRE BLVD., SUITE 730 LOS ANGELES, CA 90025

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Colyton Investments, LLC, ("Colyton"), one of the debtors and debtors-in-possession in the pending jointly administered chapter 11 bankruptcy cases herein, hereby objects (the "Objection") to Proof of Claim No. 1 ("LACTTC Claim") filed by the Los Angeles County Treasurer and Tax Collector ("LACTTC") in Colyton's bankruptcy case (the "Case").

The LACTTC Claim asserts a secured claim in the amount of \$93,820.01, secured by a statutory lien under California law for the real property with Assessors ID Number 5163-025-007 and Situs Address of 421 Colyton St, Los Angeles, CA 90013-2210. The LACTTC Claim is supported by a Substitute Secured Property Tax Bill in the amount of \$46,915.01 for 2023-2024, and an Attachment Sheet that estimates taxes for 2024-2025 at \$46,905.00. A true and correct copy of Claim No. 1 as it appears on the Court's electronic claims register for the Case is attached hereto as Exhibit 1.

The grounds for Colyton's Objection to the LACTTC Claim are:

- 1. The taxes that pertain to 2024-2025 are not yet due; and
- 2. LACTTC does not provide any itemization of the amounts claimed for 2024-2025.

WHEREFORE, Colyton respectfully requests that the Court sustain its objection to LACTTC Claim and disallow Proof of Claim No. 1 as to the \$46,905.00 of taxes relating to 2024-2025 and set the LACTTC Claim at \$46,915.01.

DATED: August 9, 2024

#### WEINTRAUB ZOLKIN TALERICO & SELTH LLP

/s/ Derrick Talerico By: Derrick Talerico David B. Zolkin Attorneys for Debtors and Debtors in Possession, Seaton Investments, LLC, Colyton Investments, LLC, Broadway Avenue Investments, LLC, SLA Investments, LLC, and Negev Investments, LLC

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#### **MEMORANDUM OF POINTS AND AUTHORITIES**

#### I. <u>INTRODUCTION</u>

The \$46,905.00 of the LACTTC Claim that pertain to 2024-2025 are not yet due and as such are not properly asserted. Furthermore, the \$46,905.00 for 2024-2025 are estimated and not set forth in any detail or itemization.

#### II. STATEMENT OF FACTS

Colyton filed its bankruptcy petition on March 20, 2024 (the "Petition Date"). LACTTC filed Proof of Claim No. 1 in the Colyton case for \$93,820.01, secured by a statutory lien under California law for the real property with Assessors ID Number 5163-025-007 and address of 421 Colyton St, Los Angeles, CA 90013-2210. The LACTTC Claim is supported by a Substitute Secured Property Tax Bill in the amount of \$46,915.01 for 2023-2024, and an Attachment Sheet that estimates taxes for 2024-2025 at \$46,905.00. A true and correct copy of Proof of Claim No. 1 as it appears on the Court's electronic claims register for the Case is attached hereto as **Exhibit 1**.

#### III. <u>LEGAL DISCUSSION</u>

Creditors may file proofs of claim. 11 U.S.C. § 501. Claims are deemed allowed unless a party in interest objects. 11 U.S.C. § 502. A filed proof of claim "constitute[s] prima facie evidence of the validity and amount of the claim." Fed. R. Bankr. P. 3001(f). The presumption of prima facie validity is rebuttable. *In re Garner*, 246 B.R. 617, 622 (B.A.P. 9th Cir. 2000). "If rebutted, then the ultimate burden of proof is on the claimant." *Id.* "[T]he ultimate burden of persuasion is always on the claimant." *In re Holm*, 931 F.2d 620, 623 (9th Cir. 1991).

The LACTTC Claim is supported by a Substitute Secured Property Tax Bill showing an amount of total tax due of \$46,915.01. Colyton does not dispute this portion of the LACTTC Claim. The other portion of the LACTTC Claim is an estimation of taxes due for 2024-2025, which is stated in the Attachment Sheet to be \$46,905.00. The 2024-2025 taxes come due in two installments, the first payment comes due on or about December 10, 2024 and the second payment comes due on or about April 10, 2025. While a lien for the amount that will be due for 2024-2025 has attached to the property as of January 1, 2024, those amounts are not yet due and are not properly asserted as part of the amount owed by Colyton to LACTTC as of the Petition Date.

#### IV. <u>CONCLUSION</u>

Based upon the foregoing, Colyton respectfully requests that the Court sustain its objection to LACTTC Claim and disallow Proof of Claim No. 1 as to the \$46,905.00 of taxes relating to 2024-2025 and set the LACTTC Claim at \$46,915.01.

DATED: August 9, 2024

WEINTRAUB ZOLKIN TALERICO & SELTH LLP

By: /s/ Derrick Talerico
Derrick Talerico
David B. Zolkin

Attorneys for Debtors and Debtors in Possession, Seaton Investments, LLC, Colyton Investments, LLC, Broadway Avenue Investments, LLC, SLA Investments, LLC, and Negev Investments, LLC

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#### **DECLARATION OF DERRICK TALERICO**

- I, Derrick Talerico, declare as follows:
- I am an attorney duly licensed to practice before all of the courts in the State of 1. California and entitled to practice in this Court. I am a partner with Weintraub Zolkin Talerico & Selth LLP, counsel of record for the Colyton Investments, LLC (and four other debtors who are not parties to this Objection), in in these jointly administered chapter 11 cases. I have personal knowledge of the facts set forth in this Declaration and, if called as a witness, could and would competently testify to such facts under oath.
- The Los Angeles County Treasurer and Tax Collector ("LACTTC") filed claim no 1 2. in the bankruptcy case of Colyton Investments, LLC, in which it claims \$93,820.01, secured by a statutory lien under California law for the real property with Assessors ID Number 5163-025-007 and Situs Address of 421 Colyton St, Los Angeles, CA 90013-2210 ("LACTTC Claim").
- 3. Attached hereto as **Exhibit 1** is a true and correct copy of the LACTTC Claim, which was obtained from the Court's claims registers in the Colyton Case.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct to the best of my knowledge.

Executed on this 9th day of August, 2024, at Los Angeles, California.

s/Derric	k Talerico
Derrick 7	Γalerico

## **EXHIBIT 1**

LA County Treasurer & Tax Collector Proof of Claim 1

## Casse22224bbk1220879WZZ CDaion153 Filitelous/8./51/2/44 D.E.sotelvladin0B/d1/21/24e09:44.125ge Deosfc5 Main Document Page 7 of 13

Fill in this inf	formation to identify the case:
Debtor 1	Colyton Investments, LLC
Debtor 2 (Spouse, if filing)	
United States B	ankruptcy Court for the: Central District of California
Case number	2:24-bk-12080-VZ (11)

#### Official Form 410

#### **Proof of Claim**

04/19

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed. That date is on the notice of bankruptcy (Form 309) that you received.

Part 1: Identify the	Claim						
Who is the current creditor?	Los Angeles County Treasurer and Tax Collector  Name of the current creditor (the person or entity to be paid for this claim)  Other names the creditor used with the debtor						
Has this claim been acquired from someone else?	☑ No ☐ Yes. From whom?	3/3					
Where should notices and payments to the creditor be sent?	Where should notices to the creditor be sent?  Los Angeles County Treasurer & Tax Collector	Where should payments to the creditor be sent? (if different)					
Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)	Name PO Box 54110	Name					
M)	Number Street Los Angeles CA 90054	Number Street					
	City State ZIP Code  Contact phone (213) 974-7803	City State ZIP Code  Contact phone					
	Contact email bankruptcy@ttc.lacounty.gov	Contact email					
	Uniform claim identifier for electronic payments in chapter 13 (if you us	·					
4. Does this claim amend one already filed?	No ☐ Yes. Claim number on court claims registry (if known)	Filed on MM / DD / YYYY					
5. Do you know if anyon else has filed a proof of claim for this claim	Yes. Who made the earlier filing?	——————————————————————————————————————					

Official Form 410 Proof of Claim page 1

1	Part 2: Give Information	n About the Claim as of the Date the Case Was Filed
6.	Do you have any number you use to identify the debtor?	No Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: 5 0 7
7.	How much is the claim?	\$ 93,820.01. Does this amount include interest or other charges?  No  Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A)
8.	What is the basis of the claim?	Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card.  Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c).  Limit disclosing information that is entitled to privacy, such as health care information.  Property Taxes
9.	Is all or part of the claim secured?	Notor vehicle    Nature of property:   Motor vehicle   Other. Describe:
10.	ls this claim based on a lease?	☑ No ☐ Yes. Amount necessary to cure any default as of the date of the petition. \$
11.	ls this claim subject to a right of setoff?	☑ No □ Yes. Identify the property:

Official Form 410

**Proof of Claim** 

page 2

P								
12. Is all or part of the claim entitled to priority under								
11 U.S.C. § 507(a)?	Yes. Checi	Amount entitled to priority						
A claim may be partly priority and partly	Domes 11 U.S	\$						
nonpriority. For example, in some categories, the law limits the amount entitled to priority.	Up to \$ person.	\$						
chance to phony	Wages bankru	\$						
	☐ Taxes o	or penalties owed to governmen	ntal units, 11 U.S.C. §	507(a)(	8).	\$		
	☐ Contrib	\$						
	Other.	Specify subsection of 11 U.S.C.	. § 507(a)() that app	olies.		\$		
	* Amounts	re subject to adjustment on 4/01/22	2 and every 3 years after	that for o	cases begun on or afte	r the date of adjustment.		
Part 3: Sign Below								
The person completing	Check the appro	priate box:						
this proof of claim must sign and date it.	☐ I am the cre							
FRBP 9011(b).	I am the cre	editor's attorney or authorized a	gent.					
If you file this claim electronically, FRBP	am the tru	_						
5005(a)(2) authorizes courts	I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.							
to establish local rules specifying what a signature	I understand that an authorized signature on this <i>Proof of Claim</i> serves as an acknowledgment that when calculating the							
is.	amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.							
A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5	I have examined the information in this <i>Proof of Claim</i> and have a reasonable belief that the information is true and correct.							
years, or both. 18 U.S.C. §§ 152, 157, and	I declare under penalty of perjury that the foregoing is true and correct.							
3571.	Executed on date 05/15/2024 MM / DD / YYYY							
	Maya Hill							
	Signature	W						
	Print the name	of the person who is complet	ing and signing this	claim:				
	Name	Maya First name	A Middle name		Hill Last name			
	Title	Tax Services Clerk II						
	Company	County of Los Angeles						
	- Simpany	Identify the corporate servicer as	the company if the author	orized ag	ent is a servicer.	14		
	Address	PO Box 54110						
		Number Street						
		Los Angeles		CA	90054			
		City		State	ZłP Code			
	Contact phone	(213) 974-7803		Email	bankruptcy@ttc	.lacounty.gov		

Official Form 410

**Proof of Claim** 

page 3

#### SUBSTITUTE SECURED PROPERTY TAX BILL

JULY 1, 2023 TO JUNE 30, 2024

CRT: E655416

LOS ANGELES COUNTY TAX COLLECTOR

225 North Hill Street, Los Angeles, CA 90012

FOR ASSISTANCE CALL 1(213) 974-2111 OR 1(888) 807-2111, ON THE WEB AT Jacounty property Jax. som

5163 025 007 COLYTON INVESTMENTS LLC 264 S OAKHURST DR BEVERLY HILLS CA 90212-3504 ELECTRONIC FUND TRANSFER NUMBER ID#:19 5163 025 007 1 YR:23 SEQ:0003

SITUS ADDRESS:

421 COLYTON ST

ASSESS	OR'S ID	NO.				LOS ANGELES	S CA 90013-2210	
Map Book	Page	Parcel	Year	Seq. No.	1ST INSTALLMENT	2ND INSTALLMENT	TOTAL TAX Penaltic Apply	
516	3 02	5 00	7 2	3 000	10% Penalty After 12 10 23	10% Penalty + \$10.00 Cost After 04 10 24	When Shown	
		TAX			21320 47	21320 46	42640 93	
		PENALT	Υ		2132 04	2142 04	4274 08	
		TOTAL			23452 51	23462 50	46915 01	
		NET PD/	REF		. 00	00	00	
		DUE			23452 51	23462 50	46915 01	

ROLL YEAR	CURRENT ASSESSED VALUE	PRIOR ASSESSED VALUE	TAXABLE VALUE	ANY RETURNED PAYMENT MAY BE SUBJECT TO A FEE UP TO \$50.00.
LAND	1810921		1810921	
IMPROVEMENTS FIXTURES	1207278		1207278	
		TOTAL LESS EXEMPTION	3018199	
PRINT DA	TE: 05 15 2	NET TAXABLE VALUE	3018199	

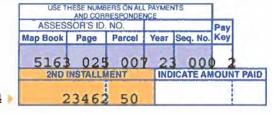
ANNUAL

COLYTON INVESTMENTS LLC 264 S OAKHURST DR BEVERLY HILLS CA 90212-3504

000153 LC

**PAY THIS** AMOUNT BY:

04 10 24



If not paid by add penalty and cost

to 2nd Installment

for a total of:

MAKE PAYMENT PAYABLE TO: Please write the ASSESSOR S

ID NO on the lower left comer of your payment

63288

LOS ANGELES COUNTY TAX COLLECTOR

P.O. BOX 54018 LOS ANGELES, CA 90054-0018

CRT: R#43 E655416

99623000351630250070002346250000234625028829999

#### DETACH AND MAIL THIS STUB WITH 2ND INSTALLMENT PAYMENT

ANNUAL

COLYTON INVESTMENTS LLC 264 S OAKHURST DR BEVERLY HILLS CA 90212-3504

000153 LC

**PAY THIS** AMOUNT BY:

12 10 23



If not paid by add penalty

to 1st Installment

MAKE PAYMENT PAYABLE TO:

Please write the ASSESSOR'S ID NO on the lower left corner of your payment

LOS ANGELES COUNTY TAX COLLECTOR P.O. BOX 54018 LOS ANGELES, CA 90054-0018

for a total of

CRT: R#43

E655416

99623000351630250070002345251000234525121119999

63211



## COUNTY OF LOS ANGELES TREASURER AND TAX COLLECTOR

Kenneth Hahn Hall of Administration 225 North Hill Street, Room 130 Los Angeles, California 90012 Telephone: (213) 974-7803 Fax: (213) 680-3648 ttc.lacounty.gov and propertytax.lacounty.gov HILDA L. SOLIS
First District
HOLLY J. MITCHELL
Second District
LINDSEY P. HORVATH
Third District
JANICE HAHN
Fourth District
KATHRYN BARGER

Fifth District

**Board of Supervisors** 

ELIZABETH BUENROSTRO GINSBERG TREASURER AND TAX COLLECTOR

#### **CLAIM ATTACHMENT SHEET**

Name: Colyton Investments, LLC

AIN(s): 5163-025-007

Mailing Address: 264 S. Oakhurst Dr. Beverly Hills, CA 90212-3504

Situs: 421 Colyton St, Los Angeles, CA 90013-2210

This claim is a secured tax secured by a statutory lien under California state law. This claim is secured under 11 U.S.C. Section 506(b).

This claim is subject to interest under California Revenue and Taxation Code Section 4103, 11 U.S.C. Section 506 (b) and 11 U.S.C. Section 511 as well as costs, fee, and attorney fees.

The claim will continue to increase, and interest will continue to accrue until it is paid.

Estimated taxes for **2024-2025** in the amount of **\$46,905.00** are due to the statutory lien date of January 1<sup>st</sup> per the California Revenue and Taxation Code Section 2192. An Amended claim will be filed once the exact dollar amount is available.

#### PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is: 11766 Wilshire Blvd, Suite 730, Los Angeles, CA 90025

A true and correct copy of the foregoing document entitled (*specify*): <u>COLYTON INVESTMENTS</u>, <u>LLCS OBJECTION TO CLAIM NO. 1 OF LOS ANGELES COUNTY TREASURER AND TAX COLLECTOR; MEMORANDUM OF POINTS AND <u>AUTHORITIES</u>; <u>DECLARATION OF DERRICK TALERICO IN SUPPORT THEREOF</u> will be served or was served (a) on the judge in chambers in the form and manner required by LBR 5005-2(d); and (b) in the manner stated below:</u>

AUTHORITIES; DECLARATION OF DERRICK TALERICO IN SUPPORT THEREOF will be served or was served (a) or
the judge in chambers in the form and manner required by LBR 5005-2(d); and <b>(b)</b> in the manner stated below:
1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF): Pursuant to controlling General
Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On (date)  August 9, 2024, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below
collowing persons are on the Electronic Mail Notice List to receive NET transmission at the email addresses stated below
See attached NEF Service List
Service information continued on attached page
2. SERVED BY UNITED STATES MAIL:
On (date), I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judg will be completed no later than 24 hours after the document is filed.
_
Service information continued on attached page
3. <u>SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL</u> (state method for each person or entity served): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on (date) <u>August 9, 2024,</u> I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge <u>will be completed</u> no later than 24 hours after the document is filed.
The Honorable Vincent Zurzolo (via US Priority Mail) United States Bankruptcy Court 255 E Temple St Suite 1360 Los Angeles, CA 90012
☐ Service information continued on attached page
I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.
August 9, 2024 Martha E. Araki /s/ Martha E. Araki
Date Printed Name Signature

Seaton Investments, LLC - Jointly Administered

#### 1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF):

- Attorneys for Corporate Debtors Seaton Investment, LLC, Colyton Investments, LLC, Broadway Avenue Investments, LLC, Negev Investments, LLC, SLA Investments, LCC.: Derrick Talerico: dtalerico@wztslaw.com; maraki@wztslaw.com; sfritz@wztslaw.com
- Attorneys for Individual Debtors Alan Gomperts, Daniel Halevy, Susan Haley: Zev Shechtman, Carol Chow, Turner Falk: zev.shechtman@salu.com; zshechtman@ecf.inforuptcy.com; carol.chow@saul.com; easter.santamaria@saul.com; turner.falk@saul.com
- <u>Attorneys for Creditor Korth Direct Mortgage, Inc.</u>: **Tanya Behnam**: tbehnam@polsinelli.com, tanyabehnam@gmail.com; ccripe@polsinelli.com; ladocketing@polsinelli.com
- Courtesy NEF/Interested Party: Christopher Cramer: secured@becket-lee.com
- Attorneys for Creditor Archway Real Estate Income Fund I SPE I, LLC: Michael G. Fletcher, Bruce D. Poltrock, Gerrick Warrington: mfletcher@frandzel.com; gwarrington@frandzel.com; bpoltrock@frandzel.com; sking@frandzel.com; achase@frandzel.com
- <u>Attorneys for Creditor Wells Fargo National Bank West</u>: **Todd S Garan**: ch11ecf@aldridgepite.com; TSG@ecf.inforuptcy.com; tgaran@aldridgepite.com
- Attorneys for Creditor Harvest Small Business Finance, LLC: Jacqueline L James: jjames@hrhlaw.com
- Courtesy NEF/Interested Party Avi Muhtar: Avi Edward Muhtar: amuhtar@eaccidents.com
- Courtesy NEF/Interested Party: Jennifer C Wong: bknotice@mccartyholthus.com; jwong@ecf.courtdrive.com
- US Trustee's Office: ustpregion16.la.ecf@usdoj.gov; Kelly L. Morrison: Kelly.l.morrison@usdoj.gov